

## SECTIONAL ANALYSIS

"To authorize the disposal of Government-owned long-lines communications facilities in the State of Alaska, and for other purposes."

Section 101 defines, for the purposes of the Act, the terms: "Transfer", "long-lines communication facilities", and "agency concerned".

Section 201(1) authorizes the disposal of any or all Government-owned long-lines communication facilities in or to Alaska. The Secretary of Defense or his designee is selected to negotiate and act with non-Government parties in behalf of all Government interests on matters concerning transfers, and to determine whether the provisions of Section 202 concerning the public interest are satisfied. Actions with non-Government parties leading to disposal can be facilitated and coordinated if a single agent represents all Government interests. Focusing the responsibility on the single agent to determine satisfaction of the public interest will permit negotiations on the broadest base and will enhance the opportunity of the most advantageous conditions of sale.

Section 201(2) permits transfers by negotiation, while providing, in the interest of full and free competition, sufficient publicity to insure that all interested parties have knowledge of such negotiations. The disposal of such a vast and complicated system, or parts thereof under the jurisdiction of different Federal agencies, does not lend itself to formal advertising.

Section 201(3) requires that the Secretary of Defense or his designee refer to the Attorney General the probable terms of any proposed transfer for advice as to consistency with antitrust law.

Section 201(4) provides for the execution of documents necessary for the transfer of interests in property, and for the transmittal of such documents to the Secretary of the Interior.

Section 201(5) prohibits the transfer of interests in public lands without the consent of the Secretary of the Interior, and of lands within a national forest without the consent of the Secretary of Agriculture.

Section 202 requires that the Secretary of Defense or his designee determine that (a) the property need not be retained for military purposes, (b) the transfer is in the public interest, (c) the transfer will not interrupt the communication services involved, and (d) the transfer will not be made to a person or business entity which would be disqualified by the terms of the Communications Act of 1934, as amended.

Section 203 provides that transfer agreements shall include a provision that the transferee shall, subject to rules and regulations of the Federal Communications Commission and such regulatory body as the state of Alaska may establish, continue to provide the communication services involved in the transfer; and a provision that the rates and charges for these services shall not be changed within a year of the date of transfer, unless approved by a regulatory body having jurisdiction.

Section 204 exempts transfers from approval by the Federal Communications Commission except for the determination of qualification of a purchaser under the Communications Act of 1934, as amended.

Section 205 provides that the gross proceeds of each transfer will be covered into the Treasury as miscellaneous receipts.

Section 206 requires that annual reports be made to the Congress and the President by the Secretary of Defense.

Section 206(2) requires the Secretary of Defense to report to the Congress and the President annually, and upon the completion of individual transfers.

Section 301 provides that, except for section 204, the proposed legislation does not modify the Communications Act of 1934, as amended.

Section 302 authorizes appropriations to the Secretary of Defense of such funds as may be necessary to carry out the provisions of the proposed legislation.